Journal of Political Economy

EDITED BY ROBERT E. LUCAS, JR., SAM PELTZMAN,
SHERWIN ROSEN, JOSÉ A. SCHEINKMAN,
GEORGE J. STIGLER, AND ROBERT M. TOWNSEND
IN COOPERATION WITH OTHER MEMBERS OF THE
DEPARTMENT OF ECONOMICS AND THE
GRADUATE SCHOOL OF BUSINESS OF
THE UNIVERSITY OF CHICAGO
AND OUTSIDE REFEREES

Volume 97

February–December 1989

THE UNIVERSITY OF CHICAGO PRESS
CHICAGO, ILLINOIS

© 1989 BY THE UNIVERSITY OF CHICAGO. ALL RIGHTS RESERVED.
PUBLISHED FEBRUARY,
APRIL, JUNE, AUGUST, OCTOBER,
DECEMBER 1989
BY THE UNIVERSITY OF CHICAGO PRESS

Index to Volume 97

Articles and Notes

Andreoni, James. Giving with Impure Altruism: Applications to Charity and Ricardian Equivalence 1447
Bagnoli, Mark; Salant, Stephen W.; and Swierzbinski, Joseph E. Durable-Goods Monopoly with Discrete Demand 1459
Balke, Nathan S., and Gordon, Robert J. The Estimation of Prewar Gross National Product: Methodology and New Evidence 38
Barro, Robert J. An Efficiency-Wage Theory of the Weather 999
Barsky, Robert B., and Miron, Jeffrey A. The Seasonal Cycle and the Business Cycle 503
Behrman, Jere R.; Pollak, Robert A.; and Taubman, Paul. Family Resources, Family Size, and Access to Financing for College Education 398
Behrman, Jere R., and Taubman, Paul. Is Schooling "Mostly in the Genes"? Nature-Nurture Decomposition Using Data on Relatives . 1425
Belongia, Michael T., and Chalfant, James A. The Changing Empirical Definition of Money: Some Estimates from a Model of the Demand for Money Substitutes 387
Bergstrom, Theodore C. A Fresh Look at the Rotten Kid Theorem—and Other Household Mysteries 1138
Blair, Douglas H.; Golbe, Devra L.; and Gerard, James M. Unbundling the Voting Rights and Profit Claims of Common Shares 420
Borjas, George J., and Bronars, Stephen G. Consumer Discrimination and Self-Employment 581
Boyer, George R. Malthus Was Right after All: Poor Relief and Birth Rates in Southeastern England 93
Bronars, Stephen G. See *Borjas, George J.*
Brown, Charles, and Medoff, James. The Employer Size–Wage Effect .. 1027
Bulow, Jeremy, and Roberts, John. The Simple Economics of Optimal Auctions 1060
Bulow, Jeremy, and Rogoff, Kenneth. A Constant Recontracting Model of Sovereign Debt 155
Burdett, Kenneth, and Wright, Randall. Unemployment Insurance and Short-Time Compensation: The Effects on Layoffs, Hours per Worker, and Wages 1479
Camerer, Colin; Loewenstein, George; and Weber, Martin. The Curse of Knowledge in Economic Settings: An Experimental Analysis 1232
Chalfant, James A. See *Belongia, Michael T.*
Chen, Chau-nan; Tsaur, Tien-wang; and Liu, Shun-chieh. Currency Substitution, Foreign Inflation, and Terms-of-Trade Dynamics 955
Conrad, Jon M. Bioeconomics and the Bowhead Whale 974

Deaton, Angus S.; Ruiz-Castillo, Javier; and Thomas, Duncan. The Influence of Household Composition on Household Expenditure Patterns: Theory and Spanish Evidence 179
Diamond, Douglas W. Reputation Acquisition in Debt Markets 828
Diamond, Peter; and Fudenberg, Drew. Rational Expectations Business Cycles in Search Equilibrium 606
Dixit, Avinash. Entry and Exit Decisions under Uncertainty 620
Drago, Robert, and Heywood, John S. Tournaments, Piece Rates, and the Shape of the Payoff Function 992
English, William B.; Miron, Jeffrey A.; and Wilcox, David W. Seasonal Fluctuations and the Life Cycle–Permanent Income Model of Consumption: A Correction 988
Evans, David S., and Jovanovic, Boyan. An Estimated Model of Entrepreneurial Choice under Liquidity Constraints 808
Feinstein, Jonathan S. The Safety Regulation of U.S. Nuclear Power Plants: Violations, Inspections, and Abnormal Occurrences 115
Fudenberg, Drew. See *Diamond, Peter.*
Garber, Peter M. Tulipmania 535
Gerard, James M. See *Blair, Douglas H.*
Gersovitz, Mark. Transportation, State Marketing, and the Taxation of the Agricultural Hinterland 1113
Golbe, Devra L. See *Blair, Douglas H.*
Gordon, Robert J. See *Balke, Nathan S.*
Gravelle, Jane G., and Kotlikoff, Laurence J. The Incidence and Efficiency Costs of Corporate Taxation When Corporate and Noncorporate Firms Produce the Same Good 749
Grossman, Gene M., and Helpman, Elhanan. Product Development and International Trade 1261
Gyourko, Joseph, and Tracy, Joseph. The Importance of Local Fiscal Conditions in Analyzing Local Labor Markets 1208
Hamilton, Bruce W. Wasteful Commuting Again 1497
Harrison, Glenn W., and Hirshleifer, Jack. An Experimental Evaluation of Weakest Link/Best Shot Models of Public Goods 201
Helpman, Elhanan. See *Grossman, Gene M.*
Heywood, John S. See *Drago, Robert.*
Hirshleifer, Jack. See *Harrison, Glenn W.*
İmrohoroğlu, Ayşe. Cost of Business Cycles with Indivisibilities and Liquidity Constraints 1364
Jovanovic, Boyan. See *Evans, David S.*
Kim, Sunwoong. Labor Specialization and the Extent of the Market .. 692
Kimball, Miles S., and Mankiw, N. Gregory. Precautionary Saving and the Timing of Taxes 863
Kingma, Bruce Robert. An Accurate Measurement of the Crowd-out Effect, Income Effect, and Price Effect for Charitable Contributions . 1197
Kiyotaki, Nobuhiro, and Wright, Randall. On Money as a Medium of Exchange 927
Kotlikoff, Laurence J. See *Gravelle, Jane G.*
Lach, Saul, and Schankerman, Mark. Dynamics of R & D and Investment in the Scientific Sector 880
Lacker, Jeffrey M., and Weinberg, John A. Optimal Contracts under Costly State Falsification 1345
Lazear, Edward P. Pay Equality and Industrial Politics 561
Liu, Shun-chieh. See *Chen, Chau-nan.*

Loewenstein, George. See *Camerer, Colin.*
Maasoumi, Esfandiar, and Pippenger, John. Transaction Costs and the Interest Parity Theorem: Comment 236
McMillan, John; Whalley, John; and Zhu, Lijing. The Impact of China's Economic Reforms on Agricultural Productivity Growth 781
Mankiw, N. Gregory. See *Kimball, Miles S.*
Marcet, Albert, and Sargent, Thomas J. Convergence of Least-Squares Learning in Environments with Hidden State Variables and Private Information 1306
Markusen, James R., and Wigle, Randall M. Nash Equilibrium Tariffs for the United States and Canada: The Roles of Country Size, Scale Economies, and Capital Mobility 368
Medoff, James. See *Brown, Charles.*
Melvin, James R. Trade in Producer Services: A Heckscher-Ohlin Approach 1180
Miron, Jeffrey A. See *Barsky, Robert B.*
Miron, Jeffrey A. See *English, William B.*
Mork, Knut Anton. Oil and the Macroeconomy When Prices Go Up and Down: An Extension of Hamilton's Results 740
Moulin, Hervé, and Roemer, John. Public Ownership of the External World and Private Ownership of Self 347
Murphy, Kevin M.; Shleifer, Andrei; and Vishny, Robert W. Industrialization and the Big Push 1003
Osband, Kent. Optimal Forecasting Incentives 1091
Palfrey, Thomas R., and Srivastava, Sanjay. Mechanism Design with Incomplete Information: A Solution to the Implementation Problem 668
Pippenger, John. See *Maasoumi, Esfandiar.*
Pollak, Robert A. See *Behrman, Jere R.*
Roberts, John. See *Bulow, Jeremy.*
Robinson, Chris. The Joint Determination of Union Status and Union Wage Effects: Some Tests of Alternative Models 639
Roemer, John. See *Moulin, Hervé.*
Rogerson, William P. Profit Regulation of Defense Contractors and Prizes for Innovation 1284
Rogoff, Kenneth. See *Bulow, Jeremy.*
Romer, Christina D. The Prewar Business Cycle Reconsidered: New Estimates of Gross National Product, 1869–1908 1
Rosenzweig, Mark R., and Stark, Oded. Consumption Smoothing, Migration, and Marriage: Evidence from Rural India 905
Ruiz-Castillo, Javier. See *Deaton, Angus S.*
Salant, Stephen W. See *Bagnoli, Mark.*
Sargent, Thomas J. Two Models of Measurements and the Investment Accelerator 251
Sargent, Thomas J. See *Marcet, Albert.*
Schankerman, Mark. See *Lach, Saul.*
Schmitz, James A., Jr. Imitation, Entrepreneurship, and Long-Run Growth 721
Shleifer, Andrei. See *Murphy, Kevin M.*
Sichel, Daniel E. Are Business Cycles Asymmetric? A Correction 1255
Silver, Stephen. See *Sumner, Scott.*
Sjostrom, William. Collusion in Ocean Shipping: A Test of Monopoly and Empty Core Models 1160
Sonstegaard, Miles H. Efficient Pricing and Budgetary Balance 244

Spear, Stephen E. Are Sunspots Necessary? 965
Spencer, Peter D. How to Make the Central Bank Look Good: A Reply 233
Srivastava, Sanjay. See *Palfrey, Thomas R.*
Stark, Oded. See *Rosenzweig, Mark R.*
Suen, Wing. Rationing and Rent Dissipation in the Presence of Heterogeneous Individuals 1384
Sumner, Scott, and Silver, Stephen. Real Wages, Employment, and the Phillips Curve 706
Swierzbinski, Joseph E. See *Bagnoli, Mark.*
Taubman, Paul. See *Behrman, Jere R.*
Taubman, Paul. See *Behrman, Jere R.*
Taylor, Dean. How to Make the Central Bank Look Good 226
Thomas, Duncan. See *Deaton, Angus S.*
Townsend, Robert M. Currency and Credit in a Private Information Economy 1323
Tracy, Joseph. See *Gyourko, Joseph.*
Trajtenberg, Manuel. The Welfare Analysis of Product Innovations, with an Application to Computed Tomography Scanners 444
Tsaur, Tien-wang. See *Chen, Chau-nan.*
Vishny, Robert W. See *Murphy, Kevin M.*
Weber, Martin. See *Camerer, Colin.*
Weinberg, John A. See *Lacker, Jeffrey M.*
Whalley, John. See *McMillan, John.*
Whitaker, John K. Palgrave Resurrected: A Review Article 480
Wigle, Randall M. See *Markusen, James R.*
Wilcox, David W. Social Security Benefits, Consumption Expenditure, and the Life Cycle Hypothesis 288
Wilcox, David W. See *English, William B.*
Wittman, Donald. Why Democracies Produce Efficient Results 1395
Wright, Randall. See *Burdett, Kenneth.*
Wright, Randall. See *Kiyotaki, Nobuhiro.*
Zeldes, Stephen P. Consumption and Liquidity Constraints: An Empirical Investigation 305
Zhu, Lijing. See *McMillan, John.*

Reviews

Hollander, Samuel. *The Economics of John Stuart Mill.* By PEDRO SCHWARTZ 745
Shavell, Steven. *Economic Analysis of Accident Law.* By DAVID FRIEDMAN 497